

~~SECRET~~

Chief, St/I/R/

27 November 56

THRU : Chief, D/S

Acting Chief, S/CST

S/CST Requirements for Hungarian Refugees

Although the requirements for information listed below are essentially basic rather than priority requirements, they represent significant gaps in intelligence concerning the construction industry in Hungary. It is felt that the type of information requested below can best be supplied by former skilled workers and supervisors in the construction industry who have an intimate knowledge of particular aspects of construction. The following are submitted, therefore, as requirements for recently arrived Hungarian refugees, rather than as basic requirements for the Defector Reception Center, Germany.

1. Former ranking officials in any of the departments of the Ministry of Construction, and perhaps construction engineers or other officials of the major construction trusts, might be questioned about the following types of general information about the construction industry as a whole:

a. Trends in the size of the construction labor force, the proportion of skilled workers, and the distribution of labor between the state and private sectors.

b. Adequacy of supplies of building materials available to the domestic economy to meet construction plan requirements.

c. Status of construction at the Budapest Subway, future plans for this project.

2. The following information concerning military construction might be obtained from engineers or other officials of the planning department of the Ministry of Construction or officials of the construction branch in the Ministry of Defense:

a. Impact of military construction on the civilian construction economy-- proportion of total construction performed for the military; evidence of diversion of manpower and materials resources from civilian construction because of military priorities.

b. Does the Ministry of Defense maintain its own construction enterprises, or utilize those of the Ministry of Construction, size of any construction labor force maintained by the Ministry of Defense.

SECRET

SUBJECT: S/CST Requirements for Hungarian Refugees

c. Instances of payment of premium wages to construction workers on military projects-- construction workers with experience on both military and civilian projects should prove useful as sources in this case.

3. Former officials of construction trusts (or enterprises subordinate to the trusts), construction engineers, and superintendents at construction projects should provide valuable information about the major technical and operational difficulties encountered at construction sites and their effects on plan achievement. Sources should be questioned about such matters as the following:

a. Delays by planning authorities in providing plans and documentation for construction projects.

b. Shortages of building materials; delays caused by poor planning and/or sporadic deliveries of materials to construction sites.

c. Shortages of skilled labor of various types.

d. Rapid turnover of construction labor, particularly skilled labor-- its extent and major causes.

e. Supplies and condition of construction machinery and equipment; excessive delays caused by obsolescence or improper maintenance of equipment.

4. Discontent of workers with working conditions contributes both to a rapid labor turnover and to reduced worker productivity. Construction superintendents and construction workers, particularly such types of skilled workers as bricklayers, masons, carpenters, plumbers, machine operators, etc., might provide useful information along the following lines:

a. Adequacy and type of living accommodations provided for workers at construction sites.

b. Trends in average wages for various types of skilled labor, and for unskilled labor.

c. Comparison of wages in construction with those in other industries for jobs requiring a similar degree of skill, with actual wage rates if possible.

SECRET

SUBJECT: S/CST Requirements for Hungarian Refugees

d. Length of work day and work week.
numbers of shifts employed daily at individual construction projects.

e. Basis for wage payments for various types of work (i.e. by the day, on a piecework basis, etc.); uniformity of wages within the industry for work on various types of projects.

f. Methods of establishing work norms and reasonableness of assigned norms; premium payments for overfulfillment of norms.

g. Present position of construction workers as compared with prewar, with respect to wages, working hours, and working and living conditions.

5. It is reported that building costs rose sharply during the first Five Year Plan. Construction engineers, whether employed at the ministerial or trust level, trust officials, and construction superintendents should be able to provide useful information along this line. Technicians and skilled workers may also provide information about unit costs of construction materials:

a. Trends in costs of construction of specific types of structures, e.g. houses or apartments of a certain size, specific types of industrial structures, etc.. Actual construction costs, if available, will be of considerable value.

b. Prices per unit (i.e. per cubic meter, per board foot, per ton, etc.) and trends in unit prices of cement (by grade if possible), bricks, lumber of various types, reinforcing steel, structural steel, fixtures, and other building materials.

c. Relative increases in wages and worker productivity in the construction industry.

6. Hungary, like the other satellites, has placed great emphasis on the development of construction technology and the industrialization of construction, and has claimed significant increases in the mechanization of construction work and the utilization of industrial methods of construction. Trust officials, engineers, and superintendents should be questioned about the following:

SECRET

SECRET

SUBJECT: S/CST Requirements for Hungarian Refugees

- a. Prices of prefabricated building sections.
- b. Extent of current use of prefabricated building elements in housing, agricultural construction, and industrial construction.
- c. The extent to which construction costs, completion time, and amount of labor required for specific types of structures are reduced by substituting industrialized methods using prefabricated elements for standard methods of construction.

7. The following information concerning the construction materials industry should be available from former officials of the construction materials branches in the Ministry of Construction and from engineers or other executives at individual plants:

- a. Labor force in the cement, brick, and flat glass industries as a whole, as well as at individual plants.
- b. Length of work day and work week; number of shifts worked daily at individual materials plants.
- c. Actual production and capacity of any individual cement, brick, or glass plant.
- d. Unit costs of cement, brick, glass, and other construction materials.
- e. Any knowledge of new building materials plants to be built, with the planned capacity and time production is expected to begin
- f. Inputs in the cement industry, i.e., fuel, electricity, per unit of output.
- g. Any information of cement exports and destination.

25X1X7
[REDACTED]

Distribution

Orig. and 1- Addressee

1- D/S

2- S/CST

25X1X7

OFF/S/CST: [REDACTED] rv/4597 (27 November 56)

SECRET